In addition to this NALCO has made efforts to get some of the affected persons indirectly employed through various contractors and firms working for the Project and also through various self-employment schemes.

(c) Does not arise.

Lending by banks against shares and debentures

1134. DR. RATNAKAR PANDEY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that some banks and their subsidiaries are leading against shares and debentures which is used for speculation purposes; and

(b) if so, what is the Government's reaction in this regard?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) and (b) Reserve Bank of India (RBI) has reported that no information in regard to the banks or their subsidiaries having financed against securities of shares and debentures for speculative purposes has come to its notice. However, RBI had issued detailed guidelines in October, 1986 to all scheduled commercial banks regarding grant of advances against shares/debentures' As per the guidelines the banks are permitted to advance against securities of shares/debentures only to individuals, investment companies, stocks and share brokers and trusts and endowments. The lending against shares and debentures by banks is a normal banking activity. However, the subsidiaries of the banks are not permitted to engage in leading, including shares and debentures.

Financial agreements with foreign countries

1135. DR. MOHD. HASHIM KIDWAI: Will the Minister of FINANCE be pleased to state:

(a) whether any financial agreements have been signed between India and Canada, India and Japan and India and West Germany during the last two years;

(b) if so, what is the amount of financial aid provided to India by signatory countries under these agreements; and

(c) what are the items for purchasing of which the aid provided by these countries will be utilised by India and what are the terms and conditions of these agreements?

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): (a) to (c) For the years 1988-89 and 1989-90 the Government of Japan have extended OECF loan assistance totalling Yen 184.544 billion (approximately Rs. 2204 crores) and grant assistance of Yen 5.19 billion (approximately Rs. 62 crores). The loan assistance is repayable over a period of 30 years, including a grace period of 10 years and carries an interest rate of 2.5 per annum. Details of assistance project-wise, are indicated in Statement. (*See* below)

Canada has provided assistance to India of Candian $64.04 million in the form of Grants through the Canadian International Development Agency (CIDA) for the years 1988-89 and 1989-90. The details of assistance are furnished in attached Statement.

For the years 1988-89 and 1989-90 the Federal Republic of Germany have committed financial assistance of DM 395 million and DM 440 million respectively for import of goods, services and equipment and for local cost projects. The full amount of DM 395 for 1988-89 is in the form of loans. Of the assistance of DM 440 million in 1989-90, 95 million would be provided as grant and the balance of DM 345 million as soft loan. The loans carry an interest rate of 0.75% per annum and a commitment charge of 0.25% on the undisbursed amount. The loans provided in 1988-89 are repayable over 50 years, including a grace period of 10 years and those provided in 1989-90 are repayable over 40 years, including of a grace period of 10 years.